Senate



General Assembly

File No. 794

January Session, 2011

Substitute Senate Bill No. 798

Senate, May 11, 2011

The Committee on Judiciary reported through SEN. COLEMAN of the 2nd Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT REQUIRING DOUBLE DAMAGES BE AWARDED IN CIVIL ACTIONS TO COLLECT WAGES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

- Section 1. Section 31-72 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2011*):
- 3 When any employer knowingly fails to pay an employee wages in 4 accordance with the provisions of sections 31-71a to 31-71i, inclusive, 5 or knowingly fails to compensate an employee in accordance with 6 section 31-76k or where an employee or a labor organization 7 representing an employee institutes an action to enforce an arbitration 8 award which requires an employer to make an employee whole or to 9 make payments to an employee welfare fund, such employee or labor 10 organization [may] shall recover, in a civil action, twice the full 11 amount of such wages, with costs and such reasonable attorney's fees 12 as may be allowed by the court, and any agreement between him and 13 his employer for payment of wages other than as specified in said 14 sections shall be no defense to such action. The Labor Commissioner

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may collect the full amount of any such unpaid wages, payments due 15 16 to an employee welfare fund or such arbitration award, as well as 17 interest calculated in accordance with the provisions of section 31-265 18 from the date the wages or payment should have been received, had 19 payment been made in a timely manner. In addition, the Labor 20 Commissioner may bring any legal action necessary to recover twice 21 the full amount of unpaid wages, payments due to an employee 22 welfare fund or arbitration award, and the employer shall be required 23 to pay the costs and such reasonable attorney's fees as may be allowed by the court. The commissioner shall distribute any wages, arbitration 24 25 awards or payments due to an employee welfare fund collected 26 pursuant to this section to the appropriate person.

This act shal sections:	l take effect as follow	s and shall amend the following
Section 1	October 1, 2011	31-72

JUD Joint Favorable Subst.

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

Changes in civil award damages results in no state or municipal fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis sSB 798

AN ACT REQUIRING DOUBLE DAMAGES BE AWARDED IN CIVIL ACTIONS TO COLLECT WAGES.

SUMMARY:

Under current law, a court may order double damages when it finds that an employer failed to pay an (1) employee's wages or the accrued fringe benefits provided by the employer's policy or collective bargaining agreement upon termination of employment or (2) arbitration award that required the employer to make an employee whole or contribute to an employee welfare fund. This bill raises the legal threshold when double damages can be ordered to situations when the employer knowingly fails to make these payments, and in these situations the court must, rather than may, order double damages. The change eliminates the court's authority to order double damages if the employer unknowingly failed to pay.

EFFECTIVE DATE: October 1, 2011

BACKGROUND

Legislative History

On April 21, the Senate referred this bill (File 28) to the Judiciary Committee which added the requirement that the employer must have acted knowingly for the double damages provision to apply.

COMMITTEE ACTION

Labor and Public Employees Committee

Joint Favorable Yea 11 Nay 0 (02/24/2011)

Judiciary Committee

Joint Favorable Substitute

Yea 22 Nay 16 (04/28/2011)